OLL 85-1037

MEMORANDUM FOR: See Distribution

VIA:

Acting Chief, Liaison Division, OLL

FROM:

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Liaison Division, OLL

SUBJECT:

House Post Office/Civil Service Committee Hearing on Retirement: CIA Participation

- 1. The House Post Office/Civil Service Committee has invited the CIA to testify at an open hearing on 25 April. As one of a series of hearings being held through April, this session will focus on the needs of those employee groups who currently enjoy retirement entitlements that differ from the rest of the Civil Service. The others who are expected to testify at this hearing are the FBI, Department of State, firefighters and the American Foreign Service Association. The hearing is to give these groups the opportunity to state for the record the reasons why they deserve special consideration. The final decisions regarding who will testify have not been made. The FBI is thinking about sending the Director, William H. Webster. State is considering as their spokesman someone at the Assistant Secretary level; the Secretary of State will not appear. (Each agency wants to know the level of management that other agencies are sending before making a commitment.)
- 2. On 27 March, I met with the following Committee staffers:

Thomas R. DeYulia, Staff Director Robert E. Lockhart, General Counsel Pierce Myers, Deputy General Counsel

I called for the meeting to discuss several issues related to CIA's participation in the hearing and to hear the staff's views and advice. The issues I raised were 1) the difficulties posed by testifying at an open hearing that would be widely publicized, 2) the current dialog between the Agency and the Administration that potentially could limit an Agency statement at this time, and 3) the role of HPSCI and the question of jurisdiction.

3. Insofar as open testimony, I stated that ideally, the Agency could state our case vis-a-vis retirement systems loudly and publicly, and that as the Committee considered

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the existing systems and the design of a supplemental system, we wanted the Committee's support. However, the essence of the Agency's case, that which demonstrates the uniqueness of organizational needs and of Agency employment could not be discussed in an open hearing. I suggested that if this Committee did have jurisdiction over any aspect of Agency retirement and would be in a position to influence the changes being discussed, then we needed to think about alternatives to open testimony. Tom DeYulia agreed that one alternative was for the Agency to make a brief, unclassified statement, then to go into a closed session so that the members and cleared staff could hear specific concerns. He advocated that the Agency had to speak out and make its case known or the Agency would lose.

- 4. With regard to the Administration, not much was said. I explained that we were still talking with OMB. DeYulia stated that it is very important to have total Administration support for the Agency's position. DeYulia understands the coordination process for executive agency appearances before Congress.
- 5. On the matter of jurisdiction, DeYulia is unclear and will get back to me. If HPSCI were to have full jurisdiction, all the Agency would have to do for the hearing is appear and make a very brief statement. DeYulia suggested that the Agency might state that we have unique concerns and we request that the Agency be exempted or excluded from any changes that would have an adverse impact on our system, and that we will be working with our oversight committee. The Department of State might be in a similar situation in terms of jurisdiction, but not having the Agency's problem of testifying in open session, could give a full statement anyway.
- 6. The question of Congressional jurisdiction is complicated by the fact that we are working with four problems: the existing CIARDS, the existing Civil Service, and the supplemental plan(s) that will cover new employees who would have been covered by Civil Service, and who would have been covered by CIARDS. Legislative jurisdiction over the CIARDS resides in HPSCI. However, the Post Office/Civil Service Committee oversees Civil Service, and is tasked with resolving the problem for new Federal employees.
- 7. A further complication for us is the fact that there are no crossover members between HPSCI and the Civil Service Committee. No member of HPSCI has demonstrated an interest

in Federal entitlement legislation or been involved in retirement issues. It is assumed that HPSCI does not share the pro-Federal employee bias that characterizes the Civil Service Committee. While this Committee likely would be more sympathetic to the Agency's general concerns for entitlements, it is not privy to the business of intelligence.

Liaison Division

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